

Message Text

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ACTION NEA-10

INFO OCT-01 EUR-12 ISO-00 CIAE-00 DODE-00 PM-05 H-01
INR-10 L-03 NSAE-00 NSC-05 PA-01 SP-02 SS-15
USIA-06 EB-08 OMB-01 TRSE-00 ACDA-12 DOE-15 SOE-02
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R 221644Z MAR 78
FM AMEMBASSY CAIRO
TO SECSTATE WASHDC 7038
INFO AMCONSUL ALEXANDRIA
AMEMBASSY BERLIN
AMEMBASSY PRAGUE
AMEMBASSY WARSAW

C O N F I D E N T I A L CAIRO 09078

E.O. 11652: GDS
TAGS: EEWT, ETRD, ECON
SUBJ: GOE REPORTEDLY REQUIRES SOVIETS TO RESUME SUEZ
- CANAL TOLL PAYMENTS

REF: CAIRO 07038

1. ACCORDING TO UNOFFICIAL INFORMATION OBTAINED IN
CONFIDENCE FROM SCA SOURCE BY CONSULATE PORT SAID,
SOVIET SHIPPING HAS BEEN EXEMPT FROM PAYMENT SUEZ CANAL
TOLLS AT LEAST SINCE REOPENING OF CANAL IN 1975. FREE
PASSAGE, HOWEVER, WAS ABRUPTLY ENDED BY GOE IN NOVEMBER
1977. USSR REPORTEDLY WAS REQUIRED TO PAY ONLY
APPROXIMATELY \$5 MILLION, TO COVER NOVEMBER AND DECEMBER
FEES.

2. COMMENT: OFFICIAL SCA FIGURES FOR PERIOD JANUARY 1 -
DECEMBER 31, 1977, LIST TOTAL SOVIET TONNAGE AT APPROX-
IMATELY 13,711,000 TONS. COMPUTING TOLLS BY STANDARD
SCA FORMULA AND CONVERTING FROM SDR'S INTO DOLLARS (AT
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SDR 1 EQUALS \$0.82) INDICATES TOTAL SOVIET CANAL TOLLS
DURING 1977 WOULD HAVE EQUALLED APPROXIMATELY \$30 MILLION
IF THEY HAD BEEN IMPOSED.

3. WE HAVE HEARD FOR SOME TIME RUMOR THAT SOVIETS WERE
EXEMPTED FROM PAYING SUEZ CANAL TOLLS. THIS REPORT,
HOWEVER, IS FIRST FAIRLY FIRM INDICATION THAT SUCH WAS

ACTUALLY THE CASE. REMISSION OF SUEZ CANAL TOLLS POSSIBLY WAS COUNTED BY GOE--AND SOVIETS--AS MILITARY DEBT SERVICE. WE NOTE THAT CANCELLATION OF FREE PASSAGE RIGHTS IN NOVEMBER FITS NEATLY BETWEEN SADAT'S SEPTEMBER ANNOUNCEMENT OF UNILATERAL MILITARY SOVIET MILITARY DEBT MORATORIUM AND DECEMBER CLOSURE OF BLOC CULTURAL CENTERS. IMPOSITION OF CANAL TOLLS AFTER MORE THAN TWO YEARS OF FREE PASSAGE, THEREFORE, MAY HAVE TRIGGERED SOVIET CONCERN THAT GOE WAS INDEED SERIOUS IN PLANS TO STOP EVEN TOKEN MILITARY DEBT PAYMENTS (SEE REFTTEL).

4. EMBASSY ATTEMPTING OBTAIN FURTHER VERIFICATION OF REPORT. EILTS

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Message Attributes

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